

Citizen Trade Policy Commission
Friday January 25, 2008
Room 206, Cross State Office Building

9:00 A.M. Commission Business Meeting

Meeting Summary

Members present: Sen. Margaret Rotundo, Senate Chair, Rep. John Patrick, House Chair, Sen. Kevin Raye, Sen. Bruce Bryant, , Rep. Jeffery Gifford, Elise Flemings, Michael Burson , John Palmer, Leslie Manning, Wade Merritt, Sarah Bigney, Malcolm Burson, Paul Volckhausen, Wade Merritt, and John Palmer

Guest Speakers: Peter Riggs, Forum on Democracy & Trade; and Kaye Wilkie, Chair, Intergovernmental Policy Advisory Committee, and as Director of International Policy, New York State, Department of Economic Development

Staff present: Curtis Bentley, Legislative Analyst and Judy Gopaul.

- I. Colombia Free Trade Agreement** – Peter Riggs discussed the politics, pros and cons of the Colombia FTA. (See Attachment). Mr. Riggs thought that the president would send the bill to Congress sometime in March, however, he felt that there was not much support for the agreement. Kay Wilkie gave a brief history of IGPAC, her role in the IGPAC. She also spoke about the Antigua internet-gambling case. Ms. Wilkie also gave her view on the agreement, that the majority of the provisions in the Colombia FTA were similar to NAFTA – not a fair agreement. She suggested that states should engage in the free trade policy process, think proactively about how states can build capacity to influence federal policy.
- II. Action to be taken:** The Commission agreed to delay their decision and vote on the Colombia FTA until they had an opportunity to hear testimony from Maine citizens at the public hearing on February 21st, 2008. It was agreed that the commission would meet after the public hearing to discuss and vote on what action should be taken – whether to send a letter with the commission’s and Maine citizen concerns to the Maine delegates and Governor Baldacci.
- III. Legislative Document 2096** – After discussion, the commission decided that it could not make a decision on the support the bill in its present form, further discussion was needed. The commission asked that Representative Patrick clarify that the bill was being introduced by him and not from the commission.
- IV. Subcommittees** – Time did not permit for a discussion on this matter.
- V. Public Hearing** - Confirmation on the February 21, 2008 public hearing. Venue would be South Portland Community Center, 21 Nelson Street, So. Portland, ME.

Commencing at 6:00 p.m. Invitations will be sent to the Maine Congressional delegation, Maine senate and house members, business owners, and experts in international trade, NAFTA and Latin American Trade and the media.

- VI. Next Meeting -** A request was made to hold future CTPC general meeting on the third Friday of every month. The meeting is to commence at 9:00 a.m. when the legislature is in session and at 10:00 a.m. when not in session.
- VII. Adjournment.** The commission adjourned its meeting at approximately 2:00PM.

Forum on Democracy & Trade: Pros and Cons of the Colombia FTA

Provision	Pros	Cons
Agriculture	The U.S. will achieve significant new market access for its exports due to a reduction in most tariffs. Colombia has some specialized product niches, such as in cut flowers, tropical and subtropical fruits, and some seafood and livestock products, and this will secure their access to the U.S. market, with benefits for Maine consumers.	The great majority of Colombian farmers are subsistence or near-subsistence levels, and may not be able to compete with the import of cheaper, and in many cases subsidized, U.S. grains and meats. The elimination of the agricultural price band will cause hardship for rural Colombians. This could lead to further impoverishment and possibly both outmigration and an increase in the production of narcotics--with indirect impacts on Maine.
Intellectual Property	High levels of intellectual property protection significantly help Maine industries abroad.	Intellectual property provisions on Pharmaceuticals go beyond what are required in the WTO, and may limit the access of Colombians to essential medicines. While the agreement doesn't impact Mainers' access to medicines, it's not 'fair' at a global level, where poorer countries have less purchasing power.
Services	The United States runs an international surplus in terms of service exports and it's the key area of our economy. Maine is seeking to expand its export of services, particularly in the financial and high-tech sectors.	The United States runs an international surplus in terms of service exports and it's the key area of our economy. Maine is seeking to expand its export of services, particularly in the financial and high-tech sectors.
Investments	U.S. investors, particularly in the extractive industry sectors, should have protections against expropriation, and a means to litigate their concerns outside of Colombia's overburdened judiciary.	Maine and the National Conference of State Legislatures are both 'on record' as opposing the extension of 'investor-state' dispute resolution to new Free Trade Agreements. Investment chapters in Free Trade Agreements have been used to bring claims against U.S. state and municipal actions, and these cases are very burdensome to defend against.
Labor	The Uribe government is doing whatever it can to address the problem of violence against trade unionists.	The Uribe government is NOT doing whatever it can, and anyway the effort will evaporate once the agreement is signed. The United States shouldn't sign an FTA with a country that has such an egregious labor and human rights record. There isn't enough in the agreement to compel serious changes.
The Global War on Terror Issues	Colombia has been a staunch ally in South America, during a turbulent time, and we should reward the Colombian government for its support, and acknowledge President Uribe's leadership.	It's never been made clear how the Free Trade Agreement relates to 'Plan Colombia' goals, particularly if the agriculture chapter may end up undermining anti-narcotic 'crop substitution' programs in the countryside.